

Department of Livestock Per Capita Fund Analysis				
Includes a conservative reversion estimate (Actual reversion for FY 2010 was 7.8%)				
	Actual FY 2010	Appropriated FY 2011	Executive Request	
			FY 2012	FY 2013
Beginning balance	\$2,458,171	\$2,391,761	\$1,906,048	\$1,412,939
Expenditures	-\$3,866,404	-\$4,555,752	-\$4,564,137	-\$4,553,468
*Revenues	\$3,799,994	\$3,820,000	\$3,820,000	\$3,820,000
**Reversion (4yr avg 5.5%)	NA	\$250,039	\$251,028	\$250,440
Ending Fund Balance	\$2,391,761	\$1,906,048	\$1,412,939	\$929,911
* average revenues from FY 08, FY 09 and FY 10				
**4yr average = 5.5%, 9yr average = 20.29%				

If the legislature approved every decision package in the executive request that utilizes per capita fee the projected FY 2013 per capita fee ending fund balance would be \$929,911.

2013 Biennium Per Capita Fee Structural Balance		
	Executive Budget Request	
	FY 2012	FY 2013
Adjusted Base	\$3,856,906	\$3,821,074
Ongoing DP's in HB 2	\$230,769	\$234,345
Adjusted Base + Ongoing DP's	\$4,087,675	\$4,055,419
4yr average reversion of 5.5%	-\$224,822	-\$223,048
Ongoing HB 2 minus 4yr average reversion	\$3,862,853	\$3,832,371
3yr average revenue	\$3,820,000	\$3,820,000
Ongoing HB 2 minus 4yr average reversion	\$3,862,853	\$3,832,371
Total Structural Imbalance	-\$42,853	-\$12,371

The Executive Budget as submitted proposes one time only expenditures of per capita fee totaling \$476,462 in FY 2012 and \$498,049 in FY 2013. One time only expenditures of fund balance should not be included in structural balance analysis. Structural balance is typically analyzed by considering the relationship between ongoing revenues versus ongoing expenditures. Using the 3 year average of per capita fee revenue of \$3,820,000 versus the ongoing per capita fee expenditures minus the 4 year average reversion results in a slight structural imbalance of \$42,853 in FY 2012 and \$12,371 in FY 2013. To have a structurally balanced budget in the purest sense (ongoing expenditures equal to or less than ongoing revenue) the per capita fee revenue would have to increase by approximately 1% over the three year average or decision packages of an ongoing nature included in the Executive Budget would have to be reduced by \$42,853 in FY 2012 and \$12,371 in FY 2013.